

ASSEMBLY BILL

No. 63

Introduced by Assembly Member Strickland

December 9, 2004

An act to add Part 4.7 (commencing with Section 19940) to Division 13 of the Health and Safety Code, relating to housing for the elderly and disabled.

LEGISLATIVE COUNSEL'S DIGEST

AB 63, as introduced, Strickland. Elderly and Disabled Home Improvement Loan Program.

Existing law authorizes the Department of Housing and Community Development to make grants to nonprofit housing sponsors and local public entities for operating, administrative, and other expenses of planning, constructing, rehabilitating, and operating assisted housing and to make grants to housing sponsors for the benefit of residents of assisted housing. It also authorizes the department to provide technical assistance and aid to governmental agencies, nonprofit corporations, and housing sponsors for the purpose of providing the benefits of assisted housing to very low income households and persons and families of low- or moderate-income that are handicapped.

Existing law establishes the Senior Housing Information and Support Center within the California Department of Aging for the purpose of providing information and training, including housing options and home modification alternatives designed to support independent living.

This bill would establish within the Department of Housing and Community Development the Elderly and Disabled Persons' Revolving Home Improvement Loan Program. The program would provide grants to local public agencies or nonprofit corporations, or to

provide no-interest home improvement loans to qualified low- and moderate-income elderly and disabled individuals to assist them with daily activities and prevent injury and to allow them to remain safely in their own homes.

This bill would establish the Elderly and Disabled Persons' Revolving Home Improvement Loan Fund in the State Treasury. Moneys in the fund would be available, upon appropriation by the Legislature, for expenditure by the department for the purposes of the program.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Part 4.7 (commencing with Section 19940) is
2 added to Division 13 of the Health and Safety Code, to read:

3
4 PART 4.7. ELDERLY AND DISABLED PERSONS'
5 REVOLVING HOME IMPROVEMENT LOAN PROGRAM

6
7 19940. There is hereby established within the Department of
8 Housing and Community Development, the Elderly and Disabled
9 Persons' Revolving Home Improvement Loan Program. For
10 purposes of this part, "department" means the Department of
11 Housing and Community Development.

12 19941. It is the intent of the Legislature in enacting this part
13 to establish a no-interest loan program to allow elderly and
14 disabled persons to make home modifications that will allow
15 them to remain safely in their own homes, and that will assist in
16 daily living activities or prevent injuries.

17 19942. The department, in consultation with the Department
18 of Aging and the California Association of Area Agencies on
19 Aging, shall develop and administer a program to provide grants
20 to local public agencies or nonprofit corporations, or both, to
21 provide no-interest loans to low- and moderate-income elderly
22 and disabled persons to make nonmajor home improvements to
23 assist with daily living activities or prevent injury.

24 19943. (a) The maximum loan amount made pursuant to this
25 program shall be five thousand dollars (\$5,000) and no interest
26 shall be charged on the loan.

1 (b) Pursuant to regulations adopted by the department, a loan
2 provided under this part shall be subject to a repayment schedule
3 over the term of the loan, not to exceed three years, or repayment
4 shall be deferred until the home is sold, with regard to a borrower
5 who owns his or her home.

6 (c) Loan funds shall only be used for financing the
7 improvement of a structure occupied by the borrower. Where the
8 borrower does not own the property, loan funds shall only be
9 available for home improvements that have received the written
10 approval of the owner. Loan funds shall not be used for the
11 acquisition of real property.

12 19944. (a) The department shall develop and adopt
13 regulations that carry out the purposes of this part including, but
14 not limited to, all of the following:

15 (1) Identifying the qualifications of borrowers, including, but
16 not limited to, qualifications related to age, disability, income,
17 and home improvements requested.

18 (2) Implementing the requirements of this part.

19 (3) Establishing a repayment process and schedule.

20 (b) When developing the regulations, the department shall
21 consult with appropriate stakeholders.

22 19945. (a) The department shall develop an uncomplicated
23 application form for the program.

24 (b) The department shall be responsible for providing
25 assistance to elderly and disabled applicants in filling out
26 applications for home improvement loans under this part.

27 (c) The department may not impose a fee for processing the
28 application.

29 19946. The department shall review loan applications
30 submitted under this part and shall approve or deny a loan
31 request. Eligible applications shall be funded until funds are no
32 longer available.

33 19947. (a) The department shall finance the total amount of
34 each loan granted under this part.

35 (b) The department shall not assess a loan fee.

36 19948. (a) In order to carry out this part, there is hereby
37 created in the State Treasury the Elderly and Disabled Persons'
38 Revolving Home Improvement Loan Fund.

1 (b) The fund shall receive moneys transferred to it from state
2 sources and moneys received in repayment of loans provided
3 under this part.

4 (c) All moneys in the fund, upon appropriation by the
5 Legislature, shall be available for expenditure by the department
6 for the purposes of this part, including administrative costs.
7 However, these administrative costs shall not exceed 5 percent of
8 the amount in the fund appropriated annually. These
9 administrative costs shall include costs for community outreach
10 to groups representing seniors and the disabled.

11 19949. The department shall issue an annual report,
12 commencing in the 2003–04 fiscal year, that includes a
13 description of the characteristics of the borrowers participating in
14 the program, including, but not limited to, all of the following:

15 (a) County of residence.

16 (b) Types of modifications completed.

17 (c) Loan amounts.

18 (d) Repayment progress.